

**SEPTEMBER 2003 AGENDA**

SUBJECT	X	ACTION
		INFORMATION
	X	PUBLIC HEARING
Proposed Formation of Alhambra Unified School District from Alhambra City Elementary School District and Alhambra City High School District in Los Angeles County		

Recommendation:

Adopt the attached proposed resolution (Attachment 2) approving the petition to form a new Alhambra Unified School District (SD) from Alhambra City Elementary SD and Alhambra City High SD in Los Angeles County.

Summary of Previous State Board of Education Discussion and Action

The State Board of Education has not heard this item previously.

Summary of Key Issue(s)

Two elementary school districts (Alhambra City Elementary and Garvey) currently are component districts within the Alhambra City High SD. Resolutions proposing the unification of the Alhambra City High SD were submitted to the Los Angeles County Superintendent of Schools by the common governing board of the Alhambra City High SD and the Alhambra City Elementary SD. This resolution states that Garvey SD will not be affected by the unification proposal and will continue to enroll its secondary students in the proposed unified district under the same terms and conditions as existed previously in the high school district (Section 35542(b)).

The Los Angeles County Committee on School District Organization (LACC) found that all of the nine criteria in Section 35753(a) were substantially met. The LACC unanimously recommended approval of the Alhambra unification proposal. The governing board of Garvey SD supports the proposed unification, noting that the district would not be affected by the unification and would continue to function as a feeder school to the proposed Alhambra Unified SD.

California Department of Education staff finds that all nine criteria in *Education Code* Section 35753(a) are substantially met and recommends that the State Board of Education approve the proposal to form an Alhambra Unified SD. Staff's analysis is provided as Attachment 1. A proposed resolution approving the petition is provided as Attachment 2 for the Board's consideration.

Fiscal Analysis (as appropriate)

Based on estimated 2002-03 data, the revenue limit for the new Alhambra Unified SD is \$5,402.57 (Attachment 3). This estimated revenue limit includes adjustments for salary and benefit differentials, which are approximately \$9.4 million and represent the maximum 10% increase over the blended, or weighted average, revenue limit per ADA for the existing districts.

Increases in revenue limit funding due to school district reorganization are not considered to be increased costs to the state since these funding increases are provided for in statute and are capped.

No other effects to state costs due to the reorganization have been identified.

Attachment(s)

Attachment 1: Proposed Formation of Alhambra Unified School District in Los Angeles County, Report of Required Conditions for Reorganization (Pages 1-17)

Attachment 2: Proposed Resolution (Pages 1-1)

Attachment 3: Revenue Limit Worksheet for Reorganized School Districts (Pages 1-5)
(This attachment not available on the Web)

Attachment 4: Alternate Resolution (Pages 1-1)

Attachment 5: Denial Resolution (Pages 1-1)

PROPOSED FORMATION OF ALHAMBRA UNIFIED SCHOOL DISTRICT IN LOS ANGELES COUNTY

REPORT OF REQUIRED CONDITIONS FOR REORGANIZATION

1.0 RECOMMENDATION

Staff recommends that the State Board of Education (SBE) adopt the resolution in Attachment 2, which would approve the proposal to form Alhambra Unified School District (SD) from territory of the Alhambra City High SD. This proposal specifically excludes Garvey SD, an elementary school district currently within the high school district boundaries, from the unification. *Education Code* Section¹ 35542(b) gives the SBE the authority to exclude elementary districts from a proposal to unify a high school district.

2.0 BACKGROUND

Two elementary school districts (Alhambra and Garvey) currently are component districts within the Alhambra City High SD. Alhambra City Elementary SD and Alhambra City High SD are common administration districts with a common governing board.

A resolution² proposing the unification of the Alhambra City High SD was submitted to the Los Angeles County Superintendent of Schools by the governing board of the Alhambra City SDs. This resolution states that Garvey SD will not be affected by the unification proposal and will continue to enroll secondary students in the proposed unified district under the same terms and conditions as existed previously in the high school district (Section 35542(b)).

The county superintendent of schools is required to examine resolutions for a proposed school district organization and determine whether the resolutions are sufficient and signed as required by law (*Education Code* Section 35704). On November 6, 2002, the Los Angeles County Superintendent of Schools determined that the resolution for the unification of the Alhambra City High SD, submitted by the governing board of the Alhambra City SDs, was sufficient and signed as required by law.

Attachment 1

¹All subsequent statutory references are to the *Education Code* unless otherwise indicated.

²The Los Angeles County Office of Education has provided each member of the State Board of Education a copy of this resolution. No additional copy is included as an attachment to this agenda item.

At a deliberation meeting held March 5, 2003, the Los Angeles County Committee on School District Organization (LACC) unanimously found that all nine criteria in Section 35753(a) were substantially met. The LACC unanimously recommended approval of the Alhambra unification proposal³.

California Department of Education (CDE) staff finds that all nine criteria in *Education Code* Section 35753(a) are substantially met.

3.0 REASONS FOR THE UNIFICATION

The governing board of the Alhambra City SDs notes in its resolution that the unification would provide benefits that include “creation of a single basic governmental unit to provide K-12 education in the Alhambra community. This consolidation of local control permits local discretion, permits a single board to be responsible to local needs, and allows for participation of large numbers of community members in the consideration of the goals and objectives of local schools.”

4.0 POSITION OF GARVEY SCHOOL DISTRICT

The governing board of the Garvey SD adopted a resolution⁴ that:

- (a) Recognizes that the Garvey SD may petition to become part of the new Alhambra Unified SD or remain as a separate elementary district.
- (b) Determines that it is in the best interests of Garvey SD to remain a separate elementary district.
- (c) Does not oppose the Alhambra City SDs’ proposal to reorganize through unification.

5.0 SECTION 35753 CRITERIA

The State Board of Education (SBE) may approve proposals for the reorganization of districts if the Board has determined the proposal substantially meets the nine criteria in Section 35753. Those criteria are further clarified by Title 5, *California Code of Regulations*. Staff findings and conclusions regarding the Section 35753 and Title 5 conditions follow:

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³The Los Angeles County Office of Education has provided each member of the State Board of Education a copy of the minutes from the LACC deliberation meeting. No additional copy is included as an attachment to this agenda item.

⁴The Los Angeles County Office of Education has provided each member of the State Board of Education a copy of this resolution. No additional copy is included as an attachment to this agenda item.

5.1 The new districts will be adequate in terms of number of pupils enrolled.

Standard of Review

It is the intent of the State Board that direct service districts not be created which will become more dependent upon county offices of education and state support unless unusual circumstances exist. Therefore, each district affected must be adequate in terms of numbers of pupils, in that each such district should have the following projected enrollment on the date the proposal becomes effective or any new district becomes effective for all purposes: Elementary district, 901; high school district, 301; unified district, 1,501. (Section 18573(a)(1)(A), Title 5, California Code of Regulations)

County Committee Evaluation/Vote

A report⁵ prepared by the Los Angeles County Office of Education (LACOE) was presented to the LACC projecting that enrollment in the new unified school district would be 19,690 in the first year of reorganization (2004-05). Garvey SD enrollment in 2004-05 is projected to be 6,492 students. The LACOE report also indicates that enrollment in the area is expected to decline slightly over the subsequent years.

The LACC voted unanimously that this criterion is substantially met.

Staff Findings/Conclusion

As stated previously, a new unified district is adequate in terms of number of pupils if projected enrollment is 1,501 or greater on the date the proposal becomes effective or any new district becomes effective for all purposes. The following table depicts 2002-03 CBEDS enrollment for all three current districts, as well as the combined enrollment for the proposed unified district.

District	2002 CBEDS Enrollment
Alhambra City Elementary SD	11,434
Alhambra City High SD	8,352
Garvey SD	6,859
Alhambra Unified SD	19,786

⁵The Los Angeles County Office of Education has provided each member of the State Board of Education a copy of this report. No additional copy is included as an attachment to this agenda item.

Enrollment in the proposed Alhambra Unified SD significantly exceeds the required 1,501. Staff concludes that this criterion is substantially met.

5.2 The districts are each organized on the basis of a substantial community identity.

Standard of Review

The following criteria from Section 18573(a)(2), Title 5, California Code of Regulations, should be considered to determine whether a new district is organized on the basis of substantial community identity: isolation; geography; distance between social centers; distance between school centers; topography; weather; community, school and social ties; and other circumstances peculiar to the area.

County Committee Evaluation/Vote

The LACOE report notes that the Alhambra City SDs have functioned with a common administration and a common governing board for over 100 years. Thus, the two districts already operate, for all intents and purposes, as a single district. The report further notes that the unification will have no negative effect on community identity since the community served by the districts is not changing.

The LACC voted unanimously that this criterion is substantially met.

Staff Findings/Conclusion

The new unified school district would correspond to the boundaries of the existing high school district. Therefore, a distinct educational community already exists within the boundaries of the proposed unified school district. In the past, this educational community has played an important role in establishing the community identity of the Alhambra area. The new unified school district should continue that role.

Additionally, the Alhambra City SDs already function with a common administration and common governing board. Thus, the unification would have little effect on community representation on the governing board or on the administrative structure of the district.

Staff finds that the proposed district would be organized on the basis of a substantial community identity since it would correspond to existing school district boundaries and the structure of the administration and governing board would not change. This criterion is substantially met.

5.3 The proposal will result in an equitable division of property and facilities of the

original district or districts.

Standard of Review

To determine whether an equitable division of property and facilities will occur, the California Department of Education reviews the proposal for compliance with the provisions of Education Code sections 35560 and 35564 and determines which of the criteria authorized in Section 35736 shall be applied. The California Department of Education also ascertains that the affected districts and county office of education are prepared to appoint the committee described in Section 35565 to settle disputes arising from such division of property. (California Code of Regulations, Title 5, Section 18573(a)(3))

County Committee Evaluation/Vote

The LACOE report indicates that, since the proposal is to combine districts, there will be no need to divide property or related obligations. At the time of the proposal, the Alhambra City Elementary SD and the Garvey SD had outstanding bonded indebtedness. The report states that estimated tax rates for property owners within affected districts would remain the same should the unification take place, implying that responsibility for this existing bonded indebtedness will not change as a result of unification.

The LACC voted unanimously that this criterion is substantially met.

Staff Findings/Conclusion

Staff concludes that this criterion has been met. Staff agrees that there will be no need to divide property, funds, and obligations. At the time the unification proposal was heard by the LACC, the Alhambra City Elementary SD and the Garvey SD each had existing outstanding general obligation bonds. The existing bonded indebtedness of Alhambra City Elementary SD, or any new debt incurred by the district prior to the unification, will remain the liability of property owners within the Alhambra City Elementary SD unless the voters within the new unified district agree to assume this debt. Any existing bonded indebtedness of the Garvey SD, or any new debt incurred by that district prior to the unification, will remain with the Garvey SD and not be a liability of the new unified school district.

5.4 The reorganization of the districts will not promote racial or ethnic discrimination or segregation.

Standard of Review

In Section 18573(a)(4), Title 5, California Code of Regulations, the State Board of Education set forth five factors to be considered in determining whether reorganization will promote racial or ethnic discrimination or segregation:

- (a) The current number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts, compared with the number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts if the proposal or petition were approved.*
- (b) The trends and rates of present and possible future growth or change in the total population in the districts affected, in each racial and ethnic group within the total district, and in each school of the affected districts.*
- (c) The school board policies regarding methods of preventing racial and ethnic segregation in the affected districts and the effect of the proposal or petition on any desegregation plan or program of the affected districts, whether voluntary or court ordered, designed to prevent or alleviate racial or ethnic discrimination or segregation.*
- (d) The effect of factors such as distance between schools and attendance centers, terrain, geographic features that may involve safety hazards to pupils, capacity of schools, and related conditions or circumstances that may have an effect on the feasibility of integration of the affected schools.*
- (e) The effect of the proposal on the duty of the governing board of each of the affected districts to take steps, insofar as reasonably feasible, to alleviate segregation of minority pupils in schools regardless of its cause.*

County Committee Evaluation/Vote

The following table summarizes the October 2001-02 CBEDS enrollment data presented in the LACOE report:

District	Minority Students	White Students
Alhambra City Elementary SD	91.3%	8.7%
Alhambra City High SD	93.1%	6.9%
Garvey SD	97.6%	2.4%

The report further notes that the proposed unification will not promote racial or ethnic discrimination or segregation since no students would change districts or schools and all districts would continue to be “minority majority” districts.

The LACC voted unanimously that this criterion is substantially met.

Staff Findings/Conclusion

The current (October 2002 CBEDS) percent of minority students in Alhambra City High SD and its two component elementary districts is depicted in the following table. The percent of minority students in a new Alhambra Unified SD also is displayed.

District	Percent Minority Students
Alhambra City Elementary SD	91.9%
Alhambra City High SD	93.5%
Garvey SD	97.7%
Alhambra Unified SD	92.6%

The unification proposes a consolidation of the Alhambra City SDs. Garvey SD will continue to operate its own K-8 programs and send secondary students to the new unified district under the same terms and conditions as existed previously in the high school district. Thus, the proposed unification will not cause any student to move from one school to another.

Staff finds that the proposed unification will not negatively affect (1) the districts' duty to take steps to alleviate any segregation of minority pupils in schools and (2) any factor that may have an effect on the feasibility of the integration of affected school. Given the lack of negative effects and the fact that no students will be displaced or transferred to different schools as a result of the proposal, staff finds that this criterion is substantially met.

5.5 The proposed reorganization will not result in any substantial increase in costs to the state.

Standard of Review

Education Code sections 35735 through 35735.2 mandate a method of computing revenue limits without regard to this criterion. Although the estimated revenue limit is provided in this section, only potential costs to the state other than those mandated by sections 35735 through 35735.2 are considered in analyzing a proposal for compliance with this criterion.

County Committee Evaluation/Vote

The LACOE report contained an estimated base revenue limit per average daily

attendance (ADA) of \$5,274 for the proposed new unified school district. The report further found that this new revenue limit is within the range allowed by *Education Code* Sections 35735 through 35735.2.

The LACC voted unanimously that this criterion is substantially met.

Staff Findings/Conclusion

Based on 2002-03 data from the Alhambra City SDs, LACOE, and CDE School Fiscal Services Division (SFSD), the blended Alhambra City Elementary SD and Alhambra City High SD revenue limit, including enhancements due to salary and benefit differentials, is estimated to be \$5,402.57 per ADA for the new district. The blended, or weighted average, revenue limit per ADA is revenue neutral and does not result in an increase in state costs. It is only the adjustment for salary and benefit differentials that yields new revenues. The revenue limit computation is included as Attachment 3. As stated previously, increases in revenue limit funding due to reorganization are not considered as increased costs to the state since these funding increases are provided for in statute and are capped.

The increase in revenue limit funding is based on the difference in average salary and benefit costs per employee between the elementary and high school districts. The intent behind the increase in funding is to cover the additional costs associated in bringing all employees onto the same salary schedule. Because the two districts currently operate under a common administration and thus are able to maintain a single salary schedule for both elementary and high school employees, no additional salary and benefit costs will be incurred if the proposed unification becomes effective.

However, current statute allows for revenue limit increases due to differences in average salary and benefit costs between the districts, even if there will not be any costs incurred by the new district to put all employees on the same salary schedule. In the current revenue limit recalculation, these differences in average costs for salaries and benefit will result in an increase in annual revenue of \$9.4 million for the new district.

Should the proposed district become effective, the SFSD Principal Apportionment Unit, using information provided by LACOE, will calculate the actual revenue limit, including cost of living and any other adjustments, based on second prior fiscal year data (2002-03 ADA and revenue limit funding for a July 1, 2004 effective date).

Neither the proposed unified district nor the excluded Garvey SD would receive any other significant increases in state funding. Staff agrees with the LACC's finding that this criterion is substantially met.

5.6 The proposed reorganization will not significantly disrupt the educational programs in the proposed districts and districts affected by the proposed reorganization and will continue to promote sound education performance in those districts.

Standard of Review

The proposal or petition shall not significantly adversely affect the educational programs of districts affected by the proposal or petition, and the California Department of Education shall describe the districtwide programs, and the school site programs, in schools not a part of the proposal or petition that will be adversely affected by the proposal or petition. (Section 18573(a)(5), Title 5, California Code of Regulations)

County Committee Evaluation/Vote

The LACOE report states that the Alhambra City SDs, for all practical purposes have functioned as a unified school district for over 100 years. The districts have a common governing board, a common administration, and one central administrative office that serves all students in elementary and secondary programs. The report concludes that the unification will have no negative effect on the educational programs of any affected school district, and would have a positive effect by allowing the Alhambra City SDs to function more cohesively as one district.

The LACC voted unanimously that this criterion is substantially met.

Staff Findings/Conclusion

Currently, the Alhambra City Elementary SD and Alhambra City High SD operate under a common governing board and a common administration. Establishing a unified school district will generate additional revenue and provide opportunities to streamline operations.

Moreover, no students will be displaced or transferred to different schools as a result of the proposal. Thus, the unification should have minimal effect (if any) on the implementation of the educational program at the school site level.

Staff agrees with the LACC's finding that this criterion is substantially met.

5.7 The proposed reorganization will not result in a significant increase in school housing costs.

County Committee Evaluation/Vote

The LACOE report notes that the unification is an administrative change only and will not add or subtract from total housing resources. The report concludes that the proposed unification will not result in a significant increase in school housing costs.

The LACC voted unanimously that this criterion is substantially met.

Staff Findings/Conclusion

Since no students will be displaced or transferred to different schools as a result of the proposal, no additional facilities will be required as a consequence of the unification.

Staff agrees with the finding of the LACC that this criterion is substantially met.

5.8 The proposed reorganization is not primarily designed to result in a significant increase in property values causing financial advantage to property owners because territory was transferred from one school district to an adjoining district.

County Committee Evaluation/Vote

The LACOE report states that the proposed unification is an administrative change that would affect only the districts and not homeowners. Therefore, the petition does not appear to be designed to result in a significant increase in property values.

The LACC voted unanimously that this criterion is substantially met.

Staff Findings/Conclusion

No evidence was presented to indicate that the proposed formation of the Alhambra Unified SD would increase property values in the petition area. Nor is there any evidence from which it can be discerned that any increase in property values could be the primary motivation for the proposed unification. Staff concludes this criterion has been substantially met.

5.9 The proposed reorganization will not cause a substantial negative effect on the fiscal management or fiscal status of the proposed district or any existing district affected by the proposed reorganization.

County Committee Evaluation/Vote

The LACOE report states that the newly formed Alhambra Unified SD will have adequate enrollment to generate revenues to continue to support educational programs. Additionally, the report finds that the unification will streamline the ability of the districts to deliver services to students, eliminate redundant paperwork (and its related cost), and allow for the most efficient deployment of district staff and resources.

The LACC voted unanimously that this criterion is substantially met.

Staff Findings/Conclusion

The Alhambra City Elementary SD and Alhambra City High SD operate under a common administration, with the districts sharing the same superintendent, business manager, and other office staff. Since the unification will result only in an administrative change of district status, the fiscal management or fiscal status of any district should not be negatively affected. Staff agrees with the LACOE report that unification will help streamline and increase efficiency in operations of the new district.

As a result of the unification, the new unified district will receive a blended, or weighted average, revenue limit. Additionally, this blended revenue limit is adjusted for salary and benefit differentials (see 5.5 above). Thus, the unified district will receive more revenue limit funding than would be received by the combined Alhambra City SDs and, since the two districts already have common salary schedules, will incur little if any additional expenses as a result of the reorganization. Thus, the new unified district will have more funds that may be used for programs.

Staff agrees with the LACC's finding that this criterion is substantially met.

6.0 COUNTY COMMITTEE SECTION 35707 REQUIREMENTS

Section 35707 requires the county committee to make certain findings and recommendations and to expeditiously transmit them along with the reorganization petition to the SBE. These required findings and recommendations are:

6.1 County Committee Recommendation for the Petition

A county committee must recommend to the SBE approval or disapproval of a petition for unification. The LACC voted unanimously to recommend approval of the proposal to form Alhambra Unified SD.

6.2 Effect on School District Organization of the County

A county committee must report to the SBE whether the proposal would adversely affect countywide school district organization. The LACC voted unanimously that the proposal would not adversely affect countywide school district organization.

6.3 County Committee Recommendation

A county committee must submit to the SBE its opinion regarding whether the proposal complies with the provisions of Section 35753. The LACC voted unanimously that the proposal complies with all criteria in Section 35753.

7.0 STAFF RECOMMENDED AMENDMENTS TO THE PETITION

The SBE has authority to amend or add certain provisions to any petition for unification. This section contains CDE staff recommendations for such amendments.

7.1 Article 3 Amendments

Petitioners may include, and the county committee or SBE may add or amend, any of the appropriate provisions specified in Article 3 of the *Education Code* (commencing with Section 35730). These provisions include:

Membership of Governing Board

A proposal for unification may include a provision for a governing board of seven members. Alhambra City SDs are requesting that the SBE waive requirements that the new district elect a new governing board. Thus, the proposal contains no provision for a seven member governing board.

Trustee Areas

The proposal for unification may include a provision for establishing trustee areas for the purpose of electing governing board members of the unified district. No provision for trustee areas is contained in the unification proposal as presented by the Alhambra City SDs.

Election of Governing Board

A proposal for unification may include a provision specifying that the election for the first governing board be held at the same time as the election on the unification of the school district. Alhambra City SDs are requesting that the SBE waive requirements that the new district elect a new governing board. Thus, the proposal contains no provision for the timing of the election of a new governing board.

Computation of Base Revenue Limit

A proposal for reorganization of school districts must include a computation of the base revenue limit per ADA for each reorganized district. The submittal by the LACOE contained an estimation of the base revenue limit for Alhambra Unified SD of \$5,274 per ADA based upon 2001-02 data. Working with staff from LACOE and the Alhambra City SDs, CDE staff obtained an estimated base revenue limit based on 2002-03 data. This base revenue limit computation of \$5,402.57 per ADA is contained in Attachment 3.

Division of Property and Obligations

A proposal for the division of property (other than real property) and obligations of any district whose territory is being divided among other districts may be included. Since no district is divided as a result of the current unification proposal, there will be no division of property and obligations.

Method of Dividing Bonded Indebtedness

A proposal for unification may include a method of dividing the bonded indebtedness other than the method established in Section 35576 for the purpose of providing greater equity in the division. No current bonded indebtedness will be divided as a result of the unification proposal.

CDE Staff Recommendation for Article 3 Amendments

CDE staff recommends that the SBE include no Article 3 provisions in its approved proposal for unification of the Alhambra City SDs. This recommendation is based upon an assumption that the SBE approves the Alhambra City SDs requests for waiver of requirements for an election of a new governing board. Should the SBE deny the waiver requests, staff recommends that the SBE include a provision specifying that the election for the first governing board be held at the same time as the election on the unification of the school district, with the three candidates receiving the greatest number of votes given four-year terms and the two candidates with next greatest numbers of votes given two-year terms.

7.2 Area of Election

A provision specifying the territory in which the election to reorganize the school districts will be held is one of the provisions under Article 3 (see 7.1 above) that the SBE may add or amend. However, the inclusion of this provision is highlighted since Section 35756 indicates that, should the SBE approve the proposal, the SBE must determine the area of election.

Alhambra City SDs are requesting that the SBE waive requirement that the unification proposal be approved by local voters. However, should the SBE not grant this waiver request, an election must be called and an election area determined. The area proposed for reorganization is the entire Alhambra City High SD. Thus, the “default” election area is the entire high school district (Section 35732). The SBE may alter this “default” election area if it determines that such alteration complies with the following area of election legal principles.

Area of Election Legal Principles

The Local Agency Formation Commission (LAFCO)⁶ court decision provides the most current legal interpretations to be followed in deciding the area of school district reorganization elections. This decision upheld a limited area of election on a proposal to create a new city, citing the "rational basis test." The rational basis test may be used to determine whether the area of election should be less than the total area of the district affected by the proposed reorganization unless there is a declared public interest underlying the determination that has a real and appreciable impact upon the equality, fairness, and integrity of the electoral process, or racial issues. If so, a broader area of election is necessary.

In applying the rational basis test, a determination must be made as to whether:

There is a genuine difference in the relevant interests of the groups, in which case an enhancement of the minority voting strength is permissible.

The reduced voting area has a fair relationship to a legitimate public purpose. The fair relationship to a legitimate public purpose is found in *Government Code* Section 56001, which expresses the legislative intent "to encourage orderly growth and development," such as promoting orderly school district reorganization statewide that

Attachment 1

⁶*Board of Supervisors of Sacramento County, et al., v. Local Agency Formation Commission* (3 Cal. 4th 903, 1992)

allows for planned, orderly community-based school systems that adequately address transportation, curriculum, faculty, and administration. This concept includes both:

- (a) Avoiding the risk that residents of the area to be transferred, annexed, or unified might be unable to obtain the benefits of the proposed reorganization if it is unattractive to the residents of the remaining district; and
- (b) Avoiding islands of unwanted, remote, or poorly served school communities within large districts.

However, even under the rational basis test, a determination to reduce the area of election would, according to LAFCO, be held invalid if the determination constituted an invidious discrimination in violation of the constitutional Equal Protection Clause (e.g., involving a racial impact of some degree).

CDE Staff Recommendation for Area of Election

Should the SBE not grant the Alhambra City SDs' request for a waiver of the requirement that local voters approve the unification proposal, staff recommends that the entire Alhambra City High SD as the area of election should the SBE approve the unification proposal. The Alhambra Unified SD will provide the secondary education program for students residing within the Garvey SD. Voters within this excluded elementary school district also will vote for governing board members of the unified district and general obligation bond measures targeted for secondary facilities.

7.3 Exclusion of Component Elementary Districts

Education Code section 35542(b), added by Chapter 1186, Statutes of 1994, provides that:

“[A]n elementary school district that has boundaries that are totally within a high school district may be excluded from an action to unify those districts if the governing board receives approval for an exclusion from the State Board of Education. Any elementary school district authorized by the State Board of Education to be excluded from an action to unify, may continue to feed into the coterminous high school under the same terms that existed before any action to unify”

Circumstances of Current Unification Proposal

This unification proposal specifically states that Garvey SD is unaffected by the unification proposal, thus assuming exclusion of this component elementary district from unification of the high school district. However, it is clear from Section 35542(b) that only the SBE has authority to approve exclusion of component elementary districts and that such exclusion is discretionary.

CDE Staff Recommendation for Exclusion of Component Districts

CDE staff recommends the exclusion of Garvey SD from the proposed unification. The proposed unification was developed and analyzed at the local level with the assumption that Garvey SD would be excluded from the unification.

8.0 STATE BOARD OF EDUCATION OPTIONS

For this unification proposal, SBE options are:

- (a) The SBE shall approve or disapprove the proposal.
- (b) The SBE may approve the proposal if it determines all the criteria in Section 35753(a) have been substantially met.
- (c) The SBE may approve the proposal pursuant to Section 35753(b) if it determines the criteria in Section 35753(a) are not substantially met but it is not possible to apply the criteria literally and an exceptional situation exists.
- (d) If the SBE approves the proposed unification, it may exclude the Garvey SD from the unification (Section 35542(b)).
- (e) If the SBE approves the proposed unification, it may amend or include in the proposal any of the appropriate provisions of Article 3, commencing with Section 35730 of the *Education Code*. In this case, the petitioning districts have requested the SBE waive requirements for the election and composition of a new governing board. Should the SBE approve these waivers, no added provisions regarding the new governing board are necessary.
- (f) For unification proposals, the SBE must determine the area of election (Section 35756). However, the Alhambra City SDs are requesting that the SBE waive the requirement for an election. Should the SBE approve this waiver, no provisions regarding the election area are necessary.

9.0 RECOMMENDED ACTION

Staff recommends that the SBE approve the proposed unification of Alhambra City High SD and the Alhambra City Elementary SD only if it also excludes Garvey SD from the unification. Failure to exclude this component district would eliminate a key component of the locally developed unification plan, which was developed and analyzed at the local level with the assumption that Garvey would be excluded from the unification. A proposed resolution incorporating approval of all waivers requested by the Alhambra SDs' governing board is included as Attachment 2.

Should the SBE not approve the waiver requests, staff recommends that the unification proposal be amended to include the following provisions:

- (a) The initial election of the governing board will be held at the same time as the election on unification, with the three candidates receiving the greatest number of votes given four-year terms and the two candidates with next greatest numbers of votes given two-year terms;
 - (b) The entire Alhambra City High SD will be established as election area.
- An alternate resolution addressing the above recommendations is included as Attachment 4.

Finally, a denial resolution is provided as Attachment 5 should the SBE decide to disapprove the unification proposal.

CALIFORNIA STATE BOARD OF EDUCATION
September 2003

PROPOSED RESOLUTION

Petition to Form the Alhambra Unified School District
from the Alhambra City Elementary School District
and the Alhambra City High School District
in Los Angeles County

RESOLVED, that under the authority of *Education Code* Section 35754, the proposal to form a new unified school district from the Alhambra City Elementary School District and the Alhambra City High School District, which was filed on or about September 6, 2002, with the Los Angeles County Superintendent of Schools pursuant to Education Code Section 35700(a) and Section 35542(b), is hereby approved.

RESOLVED further, that the base revenue limit per unit of average daily attendance for the new unified district is estimated to be \$5,402.57 and shall be recalculated using second prior fiscal year data from the time the unification becomes effective for all purposes; and be it

RESOLVED further, that the Garvey School District shall be excluded from the action to unify the high school district and residents of the excluded elementary district may continue to enroll their children in the new unified school district under the same terms and conditions as existed previously in the high school district; and be it

RESOLVED further, that the governing board of the new unified district shall be the existing common governing board of the Alhambra City School Districts; and be it

RESOLVED further, that the new Alhambra Unified School District shall be effective for all purposes on July 1, 2004; and be it

RESOLVED further, that the Executive Director of the State Board of Education shall notify, on behalf of said Board, the Los Angeles County Superintendent of Schools, the chief petitioners, and the Garvey School District of the action taken by the State Board of Education.

CALIFORNIA STATE BOARD OF EDUCATION
September 2003

ALTERNATE RESOLUTION

Petition to Form the Alhambra Unified School District
from the Alhambra City Elementary School District
and the Alhambra City High School District
in Los Angeles County

RESOLVED, that under the authority of *Education Code* Section 35754, the proposal to form a new unified school district from the Alhambra City Elementary School District and the Alhambra City High School District, which was filed on or about September 6, 2002, with the Los Angeles County Superintendent of Schools pursuant to Education Code Section 35700(a) and Section 35542(b), is hereby approved.

RESOLVED further, that the base revenue limit per unit of average daily attendance for the new unified district is estimated to be \$5,402.57 and shall be recalculated using second prior fiscal year data from the time the unification becomes effective for all purposes; and be it

RESOLVED further, that the Garvey School District shall be excluded from the action to unify the high school district and residents of the excluded elementary district may continue to enroll their children in the new unified school district under the same terms and conditions as existed previously in the high school district; and be it

RESOLVED further, that the governing boards shall consist of five members elected at large, with the first governing board election held at the same time as the election on the unification and the three candidates receiving the greatest number of votes at this election given four-year terms and the two candidates with next greatest numbers of votes given two-year terms; and be it

RESOLVED further, that the State Board of Education shall direct the county superintendent of schools to call for the election and sets the area of election to be the territory of the entire Alhambra City High School District; and be it

RESOLVED further, that the Executive Director of the State Board of Education shall notify, on behalf of said Board, the Los Angeles County Superintendent of Schools, the chief petitioners, and the Garvey School District of the action taken by the State Board of Education.

CALIFORNIA STATE BOARD OF EDUCATION
September 2003

DENIAL RESOLUTION

Petition to Form the Alhambra Unified School District
from the Alhambra City Elementary School District
and the Alhambra City High School District
in Los Angeles County

RESOLVED, that under the authority of Education Code Section 35754, the proposal to form a new unified school district from the Alhambra City Elementary School District and the Alhambra City High School District, which was filed on or about September 6, 2002, with the Los Angeles County Superintendent of Schools pursuant to Education Code Section 35700(a) and Section 35542(b), is hereby disapproved; and be it

RESOLVED further, that the Executive Director of the State Board of Education notify, on behalf of said Board the Los Angeles County Superintendent of Schools, the chief petitioners, and the Garvey School District of the action taken by the State Board of Education.